

ORIGINAL NEW APPLICATION




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AZ CORP COMMISSION
DOCKET CONTROL

June 19, 2012


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Arizona Corporation Commission
DOCKETED

JUN 20 2012

Docket Control
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

T-01051B-12-0268

DOCKETED BY	<i>nr</i>
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Dear Sir or Madam:

This filing is being made on behalf of Qwest Corporation, d/b/a CenturyLink QC, Entity Code Code T-01051B.

Enclosed for filing with the Commission is an original plus thirteen (13) copies of revisions to CenturyLink's Exchange and Network Services Price Cap Tariff.

Pursuant to the FCC's Lifeline and Link-Up Reform and Modernization, Report and Order, and Future Notice of Proposed Rulemaking, WC Docket No. 11-42, FCC12-11 (rel. Feb. 6, 2012), CenturyLink is making this filing in compliance with this Order.

CenturyLink is also making clarifying changes to the State Telephone Assistance Programs. In addition, the Company's name is being changed from Qwest Corporation to Qwest Corporation d/b/a CenturyLink QC on pages that hadn't already been changed. We respectfully request an effective date for this filing of August 1, 2012.

Acknowledgment and date of receipt of this transmittal are requested. A duplicate letter and self-addressed, stamped envelope are attached for this purpose. If you have any questions regarding this filing, please contact me directly.

Respectfully submitted,

Barbara H. Kleiner

Barbara H. Kleiner, Tariff Analyst

Attachments

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Ken McMahon
Staff Meeting
June 6/20, 3pm-4:30pm

Engineering Updates – Adrienne Morrow and Andrea Pettit
Garner – HR Updates

McMahon

- 1) **HSI Updates** – (MTD 6/18) – 5,688 INS. Trending to 105%. Net Adds 394 vs. 510 Objective. 77%. Opened caps to provide 1,720 additional slots vs. 1,712 request.
Current Caps as of 6/20:

<u>Day</u>	<u>ON Hand HSI Orders</u>	<u>Cap</u>
Wed	751	875
Thursday	720	825
Fri	735	775
Sat	34	165
Mon	441	900

- **PRISM**
 - Network Preparation
 - 6/1 Friends and Family Extension Strategy
 - Customer Feedback – Aligning Feedback with Friendly Participants
 - DaVar Test with Quanta
- **QVO Tool Presentation** – RP Team Meeting – 7/3
- **2Q Invoicing** – All invoices need to be submitted in June. We want to avoid any carryover into 3Q.
- **July – December Budget Forecast:** Need any items that were planned in the budget for 1H2012 and will be delayed into 2H2012 along with accruals for July. Data due to Mark by COB tomorrow. We have already submitted IPTV changes.
- **PIC Card Failures** – Send information to Calvin Fenn
- **Wireless Policy**

MDM Updates

- **Do The Math – Next Steps**
- **PCH Fundraising Status**
- **Paul Calvisi Project Update**
- **June Ops Review – New Mexico**

Kirk

- **Sonora Quest/Banner Offer**
- **Retention/Retention/Retention**
- **FSI/Shared Mail Trial**

Davis

- **Highland Groves Status**
- **Retail/OSR/Indirect/S2D Performance – Monthly Performance**

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Effective: 8-1-2012

5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE (Cont'd)

5.2.6 TELEPHONE ASSISTANCE PROGRAMS

A. Arizona Low-Income Telephone Assistance Program (ALITAP)

(T)

1. Definition

The **Arizona** Low-Income Telephone Assistance Program provides for a credit against the recurring monthly rate for the provision of local residential service for certain low-income customers.

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2. Application

- a. The Low-Income Telephone Assistance Program credit is only available to low-income customers who meet eligibility requirements established by A.R.S. 42-1322.02, 46-701, 702, 703, 704. Applicants must be a head of household, be 65 years of age or older and have a household income **at or below 100% of the Federal Poverty Guidelines..**

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- b. The monthly credit will be based on the sum of a 17% discount on the following local exchange service offerings:

- Flat rate individual service.
- Low Use Option service.
- Monthly increments.
- Local area calling usage[1]
- Maintenance of inside wiring.
- Service station service.

[1] Local area calling usage receives a discount limited to an amount that in addition to the exchange access service does not exceed the comparable flat rate total.

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS

A. Arizona Low-Income Telephone Assistance Program (ALITAP) (Cont'd)

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3. Terms and Conditions

- a. The **Arizona** Low-Income Telephone Assistance Program credit will begin with the date the Company receives a valid application from the customer or when new service is established for a qualifying customer. The credit will be prorated on the basis of a 30-day month from the effective date of the customer's application. (T)
- b. The regular nonrecurring charges, terms and conditions applicable to these service offerings specified in 5.2.6 will apply. The nonrecurring charges to change to or from this program due to eligibility status will be waived.
- c. Customers of this service will receive a 17% percent reduction on the nonrecurring charge once during a calendar year, decreasing the charge to \$22.82. The credit is applicable only to the customer's principal residence line.[1] (T)

B. Telephone Assistance Program for the Medically Needy

1. Definition

The Telephone Assistance Program for the Medically Needy provides a credit to cover the monthly charges for basic local residential phone service and other charges as more fully set forth below for certain low-income medically needy customers.

[1] The 17% reduction of the nonrecurring charge equals \$4.67 (LNKAX).

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS

B. Telephone Assistance Program for the Medically Needy (Cont'd)

2. Application

- a. The Telephone Assistance Program for the Medically Needy is available to low-income households that meet specific financial eligibility criteria and demonstrate a special medical need requiring a telephone in the home. Customers are financially eligible if their annual income is at or below 150% of current federal poverty guidelines. Certification of medical need should be obtained by use of a simple, standardized form to be completed by a physician and attached to the application. The expected duration of the medical condition must be stated on the form. The Arizona Department of Economic Security (DES) will determine customer eligibility for this program.
- b. The program provides a credit to cover the monthly charge for basic local residential phone service including any applicable monthly exchange zone increments. The program also covers the Universal Service Fund surcharge. In addition, the program covers 100%[1] of the nonrecurring charge to install the primary residential line as well as the nonrecurring charge for the exchange zone increment if applicable. The FCC Lifeline program described in 5.2.6.C., following, provides a credit toward the monthly charge for basic local residential service. In addition, normal deposit requirements will be waived for program participants.
- c. The funding for this program was established by the Arizona Corporation Commission in Decision No. 57462, dated July 15, 1991. Qwest was ordered to set aside \$1,000,000 annually for this program. In Decision No. 68604, dated March 23, 2006, the Arizona Corporation Commission increased the funding for this program to \$2,000,000. Additionally, funding of \$9.25 per qualifying customer is also available for this program through the federal Lifeline program. Program benefits are available to new program participants as long as there is sufficient money in the fund (which includes the \$2,000,000 annual set-aside, federal Lifeline funds and all existing surplus funds) to cover them.

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In the event that the \$2,000,000 set-aside and federal Lifeline funds are not sufficient to cover the new applicants in any given year, Qwest will allocate any and all remaining surplus funds until all qualified customers are covered. In no event shall surplus funds be used by Qwest to pay administrative costs before all qualifying customers that have applied for benefits under the program have been covered for any given calendar year.

[1] This \$27.50 credit (LNKMX) took effect April 1, 2012, with the elimination of Non-Tribal Link-Up support.

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS (Cont'd)

C. Lifeline Assistance

1. Description

The Lifeline Assistance Program (Lifeline) assists qualified low-income applicants with a monthly credit towards their local exchange service rate. The assistance applies for a single telephone line at the applicant's principal place of residence.

2. Eligibility Requirements

- a. To be eligible for Lifeline Assistance, an applicant, **one or more dependents of the applicant, and/or a member of the applicant's household** must participate in one of the following programs: (C)
(C)
- Medicaid
 - **Supplemental Nutrition Assistance Program (SNAP) (fka Food Stamps)** (C)
 - Supplemental Security Income (SSI)
 - **Federal Public Housing Assistance (Section 8)** (C)
 - Low-Income Home Energy Assistance Program (LIHEAP)
 - Temporary Assistance to Needy Families (TANF) [1]
 - **National School Lunch Program's free lunch program [1]** (C)
 - State Children's Health Insurance Plan (SCHIP) or KidsCare [1]
- b. **The Lifeline Program is also available to applicants when the household income of the applicant is at or below 135% of the Federal Poverty Guidelines.** (C)
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3. Terms and Conditions (N)

- a. The Company shall perform 100% verification of customer continuing eligibility annually, in conjunction with DES. (T)
- b. Records will be maintained by the Company in accordance with Arizona Corporation Commission Decision No. 67941 and paragraphs 38 and 39 of FCC Order No. FCC 04-87. (T)
- c. A customer is not eligible for **Lifeline** from the Company if he/she is currently receiving **Lifeline credit** for service provided by another Eligible Telecommunications Carrier. (C)
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[1] Effective date of programs is on or before December 16, 2005. Income criteria as defined by certification process with DES. (T)

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS (Cont'd)

D. Tribal Link Up

Beginning April 1, 2012, non-Tribal Lifeline customers no longer receive Link Up support. Also beginning April 1, 2012, eligible residents of Federal Tribal Lands may receive Link Up support to cover 100% of the customary charges up to \$100.00 in connection with commencing telecommunications service to the qualifying customer's principal place of residence on tribal lands. Tribal Link Up applies to qualifying low-income residence customers of the Company who apply for basic residential service and who meet the eligibility criteria established by the Federal Communications Commission. The customer may defer payment on up to \$200.00 of the above charges without interest for a period not to exceed one year. The deferred charges do not include the deposit if required.

An eligible resident of Tribal Lands may receive the benefit of the Tribal Link Up program for a second or subsequent time only for otherwise qualifying commencement of telecommunications service at a principal place of residence with an address different from the address for which Tribal Link Up assistance was provided previously.

CREDIT
USOCS

- Tribal Link Up

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LNKEL

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS (Cont'd)

E. Telephone Assistance Programs Monthly Credit

RESIDENCE – ARIZONA LOW INCOME TELEPHONE ASSISTANCE PROGRAM	CREDIT USOC	CREDIT AMOUNT[1]
• Flat individual line (1FR)	ASGFX	\$6.05
	ASGF3	3.20 (I)
	ASGSX	2.24
• Low Use Option (RMN)	ASGFX	6.05
	ASGF3	3.20 (I)
	ASGSX	1.45

[1] The monthly credits specified above reflect the applicable credits per A.R.S. 46.703 for service for the **Arizona** Low-Income Telephone Assistance Program (ALITAP) and reflect the 17% discount. Low-income customers who qualify under ALITAP will receive the federal baseline support amount of **\$9.25** in federal Lifeline support. State support under A.R.S. 46.703 would be in addition to this amount.

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS

E. Telephone Assistance Programs Monthly Credit (Cont'd)

RESIDENCE - ARIZONA LOW INCOME TELEPHONE ASSISTANCE PROGRAM	CREDIT USOC	CREDIT AMOUNT[1]
• Service Station Line		
- 1-party flat line (1SS)	ASGFX	\$6.05
	ASGF3	3.20 (I)
	ASGSX	2.24
- 4-party flat line (4SS)[2]	ASGFX	6.05
	ASGFZ	3.20 (I)
	ASGSZ	1.82
• Maintenance of Inside Wire (WMR/OWM)	ASGSW	0.81

[1] The monthly credits specified above reflect the applicable credits per A.R.S. 46.703 for service for the **Arizona** Low-Income Telephone Assistance Program (ALITAP) and reflect the 17% discount. Low-income customers who qualify under ALITAP will receive the federal baseline support amount of **\$9.25** in federal Lifeline support. State support under A.R.S. 46.703 would be in addition to this amount.

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[2] Obsolete Service Station Line is found in 105.2.5.

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS

E. Telephone Assistance Programs Monthly Credit (Cont'd)

RESIDENCE – FOR THE MEDICALLY NEEDY TELEPHONE ASSISTANCE PROGRAM	CREDIT USOC	CREDIT AMOUNT
• Flat individual line (1FR)	ASGFX[1] ASGFM[1] ASGSM	\$6.05 3.20 (R) 9.98 (I)

[1] The monthly federal credits represent \$6.05 for baseline FCC Lifeline support, an additional \$3.20 FCC Lifeline support. The total Federal Lifeline support amount cannot exceed \$9.25. See Tribal Lifeline for expanded federal lifeline benefits available to residents living on Tribal lands.

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS

E. Telephone Assistance Programs Monthly Credit (Cont'd)

RESIDENCE – FEDERAL LIFELINE TELEPHONE ASSISTANCE PROGRAM	CREDIT USOC	CREDIT AMOUNT	(T)
• Federal Credit[1]	ASGFX	\$6.05	
• Federal Credit[1]	ASGF2	3.20 (I)	
• Monthly Increments			
EXCHANGE ZONE NUMBER	EXCHANGE ZONE CREDIT USOC	CREDIT AMOUNT	
1	ASGSP[2]	\$0.09	
2	ASGSQ[2]	0.26	
1	ASGSS[3]	0.50	
2	ASGST[3]	1.50	

[1] The two monthly federal credits represent \$6.05 for baseline FCC Lifeline support and an additional **\$3.20** FCC Lifeline support. See Tribal Lifeline for expanded federal lifeline benefits available to residents living on **Tribal Lands**.

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[2] The monthly state credit specified above is the applicable credit for service for the Low-Income Telephone Assistance Program and reflects the 17% discount for the appropriate zone.

[3] The monthly state credit specified above is the applicable credit for service for the Medically Needy Telephone Assistance Program and reflects the 100% credit for the appropriate zone.

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS (Cont'd)

F. Tribal Lifeline

1. Description

Tribal Lifeline provides additional lifeline support of up to \$25.00, in addition to the baseline Federal Lifeline support for qualifying low-income individuals living on **Tribal Lands** as defined by the Bureau of Indian Affairs (BIA) regulations.

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2. Terms and Conditions

- a. In addition to the requirements in C.2.a., and C.2.b., preceding, low-income residents of Federally recognized Tribal Lands may be eligible for additional lifeline support of up to \$25.00 with participation in one of the following programs:

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- Bureau of Indian Affairs general assistance program,
- Tribally administered Temporary Assistance for Needy Families (TANF) block grant program,
- Head Start programs (**under income qualifying eligibility provision only**),
- **Food Distribution Program on Indian Reservations,**

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- b. The Company must obtain the customers signature on a document in which the eligible customer certifies, under penalty of perjury, that such customer receives benefits from at least one of the programs above, and lives on a reservation. In addition to identifying the program or programs from which that customer receives benefits, the customer must also agree to notify the Company if that customer ceases to participate in the qualifying program or programs.
- c. Tribal Lifeline benefits apply to the primary flat local residential access line, including Extended Area Service (EAS), mileage charges, zone charges, or other non-discretionary charges associated with basic residential service. The benefit may not bring the basic local residential access line rate below \$1.00 per month.

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5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.6 TELEPHONE ASSISTANCE PROGRAMS

F. Tribal Lifeline (Cont'd)

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3. Monthly Credit[1]

	CREDIT USOC[2]	CREDIT AMOUNT
• Flat individual line (1FR)		
- Base Rate Area	ASGFT	\$8.98 (R)
- Exchange Zone 1	ASGFT	9.48
- Exchange Zone 2	ASGFT	10.48 (R)

[1] The ASGFX and ASGF2 credits from the Lifeline Assistance Program totaling \$9.25 apply in addition to the Tribal Lifeline credit. The FCC Tribal Lifeline Program consists of monthly federal baseline support of \$6.05 (ASGFX) + \$3.20 (ASGF2). The Tribal Lifeline Credit is up to \$25.00, but no more than necessary to reduce the Tribal Lifeline rate to \$1.00.

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[2] The credit amount is calculated by adding the 1FR rate of \$13.18 and any applicable zone charge plus the \$6.05 subscriber line charge together. The ASGFX and ASGF2 credits totaling \$9.25 are subtracted from the total and the remaining difference less \$1.00, which is the minimum Tribal Lifeline rate allowed, is the credit amount. For example: Tribal Lifeline customer in Exchange Zone 2, $(\$13.18 + \$1.50 + 6.05 = \$20.73 - \$9.25 = \$11.48 - \$1.00) = \$10.48$ credit.

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